

45997
EB

SERVICE DATE - LATE RELEASE AUGUST 24, 2017

SURFACE TRANSPORTATION BOARD

NOTICE

Docket No. EP 742

PUBLIC LISTENING SESSION
REGARDING CSX TRANSPORTATION, INC.'S RAIL SERVICE ISSUES

Docket No. EP 741

JOINT PETITION OF FORESIGHT COAL SALES, LLC, SUGAR CAMP ENERGY, LLC, WILLIAMSON ENERGY, LLC, AND CONSOLIDATION COAL COMPANY TO ADDRESS THE ADEQUACY OF CSX TRANSPORTATION'S COAL TRANSPORTATION SERVICE ORIGINATING IN THE ILLINOIS BASIN AND NORTHERN APPALACHIA

Decided: August 24, 2017

AGENCY: Surface Transportation Board.

ACTION: Notice of Public Listening Session.

SUMMARY: The Surface Transportation Board (Board) will hold a public listening session on Tuesday, September 12, 2017, at its offices in Washington, D.C., to hear from CSX Transportation, Inc. (CSXT), on its efforts to implement its new operating plan and to address service problems on its network, to provide shippers the opportunity to report on recent CSXT rail service issues they have experienced, and to discuss whether additional service recovery efforts may be necessary.

DATES: The public listening session will be held on September 12, 2017, beginning at 9:30 a.m., in the Hearing Room at the Board's headquarters located at 395 E Street, S.W., Washington, DC. The listening session will be open for public observation. Any person wishing to speak at the listening session shall file with the Board a notice of intent to participate, identifying the party and the proposed speaker, no later than September 7, 2017. The notices of intent to participate are not required to be served on the parties of record; they will be posted to the Board's website when they are filed.

ADDRESSES: All filings may be submitted either via the Board's e-filing format or in the traditional paper format. Any person using e-filing should attach a document and otherwise comply with the instructions at the "E-FILING" link on the Board's website at "www.stb.gov." Any person submitting a filing in the traditional paper format should send an original and 10 copies of the filing to: Surface Transportation Board, Attn: Docket No. EP 742, 395 E Street, S.W., Washington, DC 20423-0001.

Copies of written submissions will be posted to the Board's website. Copies of the submissions will also be available (for a fee) by contacting the Board's Chief Records Officer at (202) 245-0238 or 395 E Street, S.W., Washington, DC 20423-0001.

FOR FURTHER INFORMATION CONTACT: Amy C. Ziehm at (202) 245-0391. Assistance for the hearing impaired is available through the Federal Information Relay Service (FIRS) at (800) 877-8339.

SUPPLEMENTARY INFORMATION: Rail network reliability is essential to the Nation's economy and is the foremost priority of the Board. Since July, the Board has taken a number of actions in response to the service problems resulting from CSXT's ongoing implementation of a new operating plan and has been closely monitoring CSXT's performance. In a July 27, 2017 letter, the Board Members requested that CSXT's senior management participate in weekly calls with the Board's Rail Customer and Public Assistance (RCPA) staff to discuss the carrier's efforts to restore reliable service to its shippers.¹ In a follow-up August 14, 2017 letter, the Board requested that CSXT submit weekly specific service performance data to facilitate these ongoing calls.² The performance data, in addition to the data already submitted in U.S. Rail Service Issues—Performance Data Reporting, Docket No. EP 724 (Sub-No. 4), is assisting the Board in actively monitoring CSXT's service levels and the effectiveness of its recovery efforts.

The Board has also been working to ensure that CSXT addresses service issues that shippers inform the Board about as they arise. Representatives of RCPA have held numerous meetings and conference calls with affected parties to better understand the specific problems shippers are experiencing and to help facilitate a swift resolution whenever possible. In monitoring CSXT's recent problems, the Board has been providing information to all stakeholders in a transparent manner, requesting specific service performance data, and posting that data to the Board's website. RCPA is also having frequent phone conversations with CSXT's senior management regarding these informal service complaints.

CSXT has indicated that its internal metrics are showing that service in some areas is improving and that noticeable improvements should be more evident after Labor Day.

¹ See Letter from Board Members Ann D. Begeman, Daniel R. Elliott III, and Deb Miller, Surface Transportation Board, to E. Hunter Harrison, President and Chief Exec. Officer, CSX Transportation, Inc. (July 27, 2017) (on file with the Board), available at <http://www.stb.gov> (open tab at "E-Library, select "Correspondence", select "Non-Docketed Public Correspondence", follow "07/27/2017" hyperlink).

² See Letter from Board Members Ann D. Begeman, Daniel R. Elliott III, and Deb Miller, Surface Transportation Board, to E. Hunter Harrison, President and Chief Exec. Officer, CSX Transportation, Inc. (Aug. 14, 2017) (on file with the Board), available at <http://www.stb.gov> (open tab at "E-Library, select "Correspondence", select "Non-Docketed Public Correspondence", follow "08/14/2017" hyperlink).

Therefore, the Board will hold a public listening session beginning at 9:30 a.m., on Tuesday, September 12, 2017, at its offices in Washington, D.C., to hear firsthand from CSXT's senior officials and affected shippers about CSXT's rail service and efforts to improve service.

The Board will direct executive-level officials from CSXT to appear at the listening session to discuss their ongoing and future efforts to improve service and to provide an estimated timeline for recovery of normal service levels. The Board encourages impacted shippers to appear at the public listening session to discuss their service concerns and comment on the railroad's service recovery efforts. The Board's listening session is not intended to replace the data collection or the informal and confidential dispute resolution process facilitated by RCPA, and stakeholders who do not have formal complaints pending (discussed below) are encouraged to continue communicating through that office.

Additionally, in the past two weeks, some CSXT shippers have filed formal complaints against CSXT seeking service-related injunctive relief and/or money damages (Docket Nos. NOR 42154, NOR 42155, and NOR 42156); a petition to institute a proceeding to address the adequacy of CSXT's service (Docket No. EP 741); and a request for an emergency service order (by letter addressed to the Board Members).³ The Board believes that the concerns raised in the petition in Docket No. EP 741 are best addressed in this docket, as well as through the Board's other ongoing efforts; accordingly, we will deny the petition in EP 741 to institute a proceeding as unnecessary, but without prejudice to taking more formal action at a later time, if appropriate. In the meantime, the Board will continue to address these important service reliability issues in a transparent manner to ensure shippers, carriers, and all interested stakeholders are fully informed about the Board's work.

It is ordered:

1. A public listening session will be held on Tuesday, September 12, 2017, at 9:30 a.m., in the Board's Hearing Room, at 395 E Street, S.W., Washington, D.C., as described above.
2. CSXT is directed to appear at the listening session through executive-level officials.
3. By September 7, 2017, any person wishing to speak at the listening session shall file with the Board a notice of intent to participate (identifying the party and the proposed speaker). The notices of intent to participate need not be served on the parties of record; they will be posted to the Board's website when they are filed.
4. The petition to institute a proceeding in Docket No. EP 741 is denied without prejudice.

³ That letter shortly will be posted as a filing on the Board's website under Docket No. EP 742.

5. This decision is effective on its service date.

By the Board, Board Members Begeman, Elliott, and Miller.